

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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	:	
In re:	:	Chapter 11
	:	
Veneer Products Ltd.,	:	Case No.: 17-22759 (RDD)
	:	
Debtor.	:	
	:	
-----	X	
	:	
In re:	:	Chapter 11
	:	
Rimi Woodcraft Corp.,	:	Case No.: 17-20001 (RDD)
	:	
Debtor.	:	
	:	
-----	X	
	:	
In re:	:	Chapter 11
	:	
Rimi Corporate Facilities Refurbishing Corp.,	:	Case No.: 17-20002 (RDD)
	:	
Debtor.	:	
	:	
-----	X	

**DECLARATION OF ANTHONY RIZZO IN SUPPORT OF  
RULE 1007 AND FIRST DAY MOTIONS**

Anthony Rizzo hereby declares under the penalty of perjury pursuant to 28 U.S.C.  
§ 1746, that the following is true and correct:

1. I am the President of Veneer Products Ltd ("Veneer"), Rimi Woodcraft Corp. ("Rimi Woodcraft") and Rimi Corporate Facilities Refurbishing Corp. ("Rimi Corporate") ("Debtors").

2. As the President of the Debtors, I am responsible for oversight of all aspects of the Debtors' business, facilities, employees and customers. My experiences have also helped me to understand the challenges the Debtors have incurred and the business needs of these distressed entities.

3. I submit this declaration in support of the Debtors' Chapter 11 petition, and to provide general information to the court of the events leading to the filing of the Chapter 11, and the strategy which the Debtors intend to follow during this proceeding.

#### **HISTORY OF THE DEBTORS OPERATIONS**

4. Debtors have been in operation for over 70 years in the Bronx, New York. Debtors are in the business of crafting fine custom woodworking and millwork for both commercial and personal construction projects.

5. The schedule of affiliation and respective shareholder interests are annexed as **Exhibit A**.

6. Veneer, Rimi Woodcraft and Rimi Corporate have filed Chapter 11 cases to preserve their assets.

7. ADF Designs Inc. ("ADF") is an operating affiliate in Middletown, New York.

8. Elite Woodcraft Installations, Inc. ("Elite") is a non-operating entity owned by Victor Cioffi, husband of Marie Rizzo

9. MVRC Leasing Corp ("MVRC") is an entity owned by Marie Rizzo, Victor Cioffe, and Anthony Rizzo. MVRC has leased equipment, and loaned monies to the

Debtors. A schedule of the intercompany obligations and equipment is attached as

**Exhibit B.**

10. Debtors occupy the premises at 1185 Commerce Avenue, Bronx, New York 10462, pursuant to a Lease between Debtors and Simone Development ("Simone"). Debtors are working with Simone to surrender the premises upon liquidation of their equipment, and will relocate their accounting and sales departments to a smaller location. A stipulation surrendering the lease on or before August 31, 2017 has been prepared and will be submitted to the Court for approval.

11. For years, Debtors have been incurring mounting losses, and have fallen behind in their account payable to various creditors, including the taxing authorities. In fact, during the first quarter of this year, Debtors have fallen further behind to the IRS, and now owes in excess of \$1,000,000 in debt and penalties to the IRS.

12. Debtors have fallen in arrears to the various unions to which they are members. At the time of filing, the unions have forwarded termination notices. See annexed **Exhibit C.**

13. In fact, this week, Debtors have, in light of the union termination notices and lack of liquidity, laid off substantially all of its workforce in the Bronx, except for bookkeeping and related functions.

14. Debtors manufacture specially designed woodworking and millwork for specific jobs. Debtors receive progress payment towards the completion of the job(s). Some of the jobs are incomplete, and Debtors are calculating the progress payment that

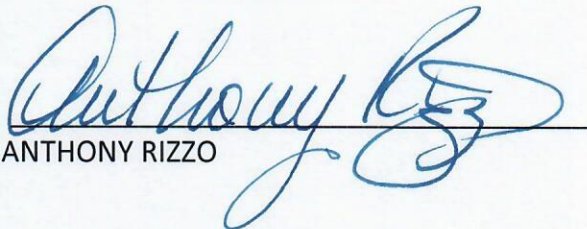
have been made and looking to compute the jobs-progress payments. The progress payment analysis is being prepared.

15. ADF, an affiliated company, in Middletown, New York, has agreed to assist in completing the manufacturing of millwork for FD Enterprises ("FD"). FD is owned by Frank Di Stefano, who has contracted for the jobs. FD has agreed to assume liability for certain subcontracts and fund completion of several of the projects. Failure to complete the projects will result in defaulted contracts, additional payables, and mechanics liens being placed on defaulted incomplete jobs.

16. The Debtors are retaining an appraiser and auctioneer to evaluate the best method for liquidating certain assets.

17. The Debtors are seeking a purchaser for the business; considering liquidation scenarios; and analyzing its continuing operation as a subcontractor. The interests of the principals are to maximize realization of Debtors' assets for the benefit of their creditors.

Dated May \_\_, 2017

  
ANTHONY RIZZO

# **EXHIBIT A**

**RIMI WOODCRAFT CORP. AND AFFILIATES**

Rimi Woodcraft Corp.

Rimi Corporate Facilities Refurbishing Ltd.

Veneer Products Ltd.

ADF Designs Inc.

MVRC LeasingCorp.

Mid-Orange Properties

Elite Woodcraft Installations

## SHAREHOLDER INTEREST

### RIMI WOODCRAFT CORP.

Anthony Rizzo	61.75%
Marie Rizzo	33.25%
Anthony Rizzo, Jr.	1.00%
Dominick Rizzo, Jr.	1.00%
Mary Catherine Rizzo	1.00%
Danielle Rizzo	1.00%
Anne Marie Rizzo	<u>1.00%</u>
	100.00%

### RIMI CORPORATE FACILITIES REFURBISHING LTD.

Anthony Rizzo	63.75%
Marie Rizzo	<u>36.25%</u>
	100.00%

### MVRC LEASING CORP.

Marie Rizzo	33.33%
Anthony Rizzo	33.34%
Victor Cioffi	<u>33.33%</u>
	100.00%

### veneer PRODUCTS LTD.

Anthony Rizzo	67.65%
Marie Rizzo	<u>32.35%</u>
	100.00%

### ADF – (BUSINESS)

Anthony Rizzo	66.67%
Marie Rizzo	<u>33.33%</u>
	100.00%

### MID-ORANGE PROPERTIES – (Real Estate)

Anthony Rizzo	73.50%
Marie Rizzo	<u>26.50%</u>
	100.00%

# **EXHIBIT B**

## MARIE'S LOAN - RUNNING BALANCE

Loan balance as of 12/31/16	360,564.60	From MVRC GL #2802
Marie's recent loans to MVRC	412,000.00	See below
Payments to Marie from MVRC	(59,400.00)	See below
<b>Total Loan balance</b>	<b>713,164.60</b>	Agrees with MVRC books

MARIE'S RECENT LOANS		
Marie	40,000.00	Loan on 05/08/17 - REG
Marie	27,000.00	Loan on 05/05/17 - REG
Marie	38,000.00	Loan on 05/04/17 - REG
Marie	36,000.00	Loan on 05/03/17 - REG
Marie	34,000.00	Loan on 05/01/17 - Westage
Marie	25,000.00	Loan on 04/19/17 - REG
Marie	24,000.00	Loan on 04/18/17 - MM
Marie	38,000.00	Loan on 04/17/17 - REG
Marie	25,000.00	Loan on 04/14/17 - Westage
Marie	50,000.00	Loan on 04/05/17 - REG
Marie	75,000.00	Loan on 03/21/17 - MM
<b>Total Recent Loans to MVRC</b>	<b>412,000.00</b>	
Reimbursement by Anthony	(25,000.00)	On 04/17/17 Anthony gave Marie \$25,000
	<b>387,000.00</b>	

MVC Leasing Corp.

Cash Disbursements (By Name)  
01-01-2017 to 05-03-2017

05-03-2017

V e n d o r	Check date	Check #	Amount	10
Marie Rizzo	01-04-17	6263	3,300.00	
Marie Rizzo	01-09-17	6264	3,300.00	
Marie Rizzo	01-17-17	6265	3,300.00	
Marie Rizzo	01-24-17	6267	3,300.00	
Marie Rizzo	01-31-17	6270	3,300.00	
Marie Rizzo	02-07-17	6271	3,300.00	
Marie Rizzo	02-14-17	6272	3,300.00	
Marie Rizzo	02-21-17	6273	3,300.00	
Marie Rizzo	02-23-17	6276	3,300.00	
Marie Rizzo	03-07-17	6277	3,300.00	
Marie Rizzo	03-13-17	6279	3,300.00	
Marie Rizzo	03-21-17	6282	3,300.00	
Marie Rizzo	03-28-17	6283	3,300.00	
Marie Rizzo	04-04-17	6284	3,300.00	
Marie Rizzo	04-11-17	6288	3,300.00	
Marie Rizzo	04-17-17	6290	3,300.00	
Marie Rizzo	04-25-17	6296	3,300.00	
Marie Rizzo	05-02-17	6302	3,300.00	
			59,400.00*	

5/8/2017

# **EXHIBIT C**

**UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA**  
**NEW YORK CITY & VICINITY DISTRICT COUNCIL OF CARPENTERS**

**JOSEPH A. GEIGER**  
Executive Secretary - Treasurer

**STEPHEN C. McINNIS**  
President

**MICHAEL P. CAVANAUGH**  
Vice President



INSTITUTED AUGUST 12TH, 1881

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FAX: (212) 675-3118

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Via Fax: 718-824-3900

Via Mail

May 10<sup>th</sup>, 2017

RIMI WOODCRAFT CORP  
1185 COMMERCE AVENUE  
BRONX, NY 10462  
ATTN: Anthony Rizzo, PRESIDENT

**RE:** *District Council of New York City & Vicinity  
United Brotherhood of Carpenters and Joiners of America*

To Whom It May Concern:

We have been informed by the New York City District Council of Carpenters Benefits Funds that you have failed to satisfy the following obligations in accordance with the Agreement to which your company is bound:

**Behind in Benefits (Installers period ending 4/1/17 & Shop period ending 3/4/17)**

**&**

**Bounce Transactions (Installers period ending 3/4/17 & Shop period ending 2/4/17)**

This is to notify you that unless you satisfy your obligation as stated above, the NYC District Council of Carpenters will remove its members from all job sites effective May 24<sup>th</sup>, 2017 per your Collective Bargaining Agreement. Please contact the Employer Assistance Department at (212)366-7386 with any questions you may have.

Please be advised that if you are not currently employing any of our members, you must still file a report showing no work for each week ending.

Sincerely,

NYC District Council of Carpenters

cc: Scott Trivella, Esq  
Joseph Geiger  
Matt Walker